

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. LC-029395-B
2. Name of Operator Merit Energy Company		6. If Indian, Allottee or Tribe Name
3a. Address 13727 Noel Road, Suite 500, Dallas, Texas 75240	3b. Phone No. (include area code) 972-628-1610	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FNL & 660' FWL, Sec. 29, T-17-S, R-31-E, Unit D		8. Well Name and No. Turner "B" Well No. 50
		9. API Well No. 30-015-05437
		10. Field and Pool, or Exploratory Area Grayburg-Jackson
		11. County or Parish, State Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

07/11/2006 - Hold tailgate safety meeting. MIRU Royalty Wel Service, ND wellhead & NU BOP's. PU & RIH w/tbg & tag top of CIBP & Cmt @ 2515'. Mix & pump 25 sx cmt plug @ 2515'. Mup up hole & POOH w/tbg. RU Wireline & perf gun. RIH & Perf sqz holes @ 1525', POOH & RD Wireline. PU 7" pkr, RIH w/pkr & tbg to 1300'. Set pkr & attempt to est inj rate. Pressure up to 1000# & would not break down. Rel pkr & POOH w/tbg & pkr. RIH W/tbg open ended to 1585', mix & pump 30 sx cmt plug @ 1585', POOH w/tbg, Close well in & SDFN.

07/12/2006 - Hold tailgate safety meeting. Open well, No pressure. RIH W/tbg & tag top of cmt @ 1347'. POOH w/tbg. RUWL & perf gun & perf sqz holes @ 650'. POOH & RDWL. PU 7" pkr. RIH W/pkr & tbg to 400'. Set pkr & mix & squeeze 50 sx cmt pug @ 650'. Release pkr & POOH w/tbg & pkr & WOC. RIH w/tbg open ended & tag top of cmt. plug @ 60'. Mix & spot 25 sx cement plug @ 600'. POOH w/tbg. RUWL & perf gun & RIH & perf sqz. holes @ 250'. POOH & RDWL. PU pkr & tbg & RIH to 60'. Set pkr & mix & sqz. 50 sx cmt plug @ 250'. Release pkr. & POOH w/tbg & pkr & WOC. Close well in & SDFN.

07/1/2006 - Pulled pkr. TIH - no tag. TIH w/pkr & sqz. 50 sx cmt. POOH & WOC. TIH - No tag. Spot 10 sx L.C.M. & followed w/50 sx cmt. POOH, close well in & SDFN.

07/16/2006 - TIH - No tag. Mix and pump 100 sx cmt W/14% Chloride. Close well in and SDFWE.

07/17/2006 - TIH W/slick line & Tagged @ 249'. Slick line was wet to 234'. Loaded csg & est inj rate of 1.5 bbl per min @ 770 psi. Mixed & pumped 200 sx cmt w/4% calcium chloride. Displace cmt w/2/5 bbls & closed well under 250 psi pressure. Noticed cmt cale out back sides. WOC. Open well w/slight pressure. TIH w/slick line & tagged @ 25'. Spoke w/BLM & ND BOP TIH to 25'. Continued of following page.

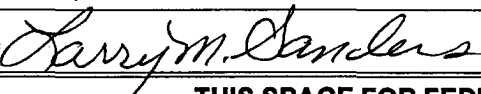
14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Larry M. Sanders

Title Sr. Regulatory Analyst

Accepted for record - NMOCD

Signature



Date

07/18/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)